

SECTION 3

STRATEGIES

3.1 LESEDI LOCAL MUNICIPALITY VISION AND MISSION

Our Vision at **LESEDI LOCAL MUNICIPALITY** is to be a “*People centered and performance driven municipality*” and our Mission is strive to -

- Provide access to quality affordable sustainable services;
- Professionally fulfill and sensitively address the needs of the whole community;
- Create a safe and healthy environment in which the various peoples of the community can co-exist;
- Empowerment the human resource component of the municipality and monitor and improve productivity;
- Facilitate growth and development;
- Embrace sound management practices and a culture of accountability;
- Promoting the “Batho Pele” [people first] principle;
- Optimally utilize natural resources at our disposal;
- Encourage a commitment to excellence.

3.1 NATIONAL AND PROVINCIAL FRAMEWORK

Our strategic plan has been developed through the consideration of a range of contextual issues as enunciated below:

- a) Alignment to the National Spatial Development Perspective
- b) Provincial Growth and Development Strategy
- c) Gauteng Growth and Development Strategy
- d) Sedibeng Growth and Development Strategy

3.1.2 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The National Spatial Development Perspective (NSDP) was released in early 2003 and draws out the possible macro policy and planning implications of an emerging South African space economy. It argues that:

- A national programme of providing all South Africans with a basic level of infrastructure services should be continued, and should target all areas of the country, regardless of the economic viability of the area.
- Only certain parts of the country are likely to be economically viable on their own terms in the decade to come: no amount of infrastructure investment will suddenly make an isolated rural area into an economic heartland in the near future.

Hence, government needs to co-ordinate more effectively the targeted installation of economic infrastructure, over and above basic, in those parts of the country likely to be the core drivers of the national economy as a whole.

Human capabilities of all South African citizens, regardless of where they live, need to be supported through investment in social support mechanisms and skills upgrading strategies.

The Lesedi Local Municipality, within the broader Gauteng region of which it is part, is not likely to be one of the areas of the country with the greatest economic potential in the near future. However, Lesedi Local Municipality takes from the NSDP the responsibility to co-ordinate and plan with other spheres of government the infrastructure investment that will be needed to ensure that it plays its role in the national spatial economy to full potential.

3.1.3 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

A PGDS is typically a medium term strategy/plan that is provided for in provincial development planning legislation and is generally prepared in the Premier's Office. It seeks to:

- Provide both an analysis and a response to the current and anticipated economic, social, environmental and spatial trends in the province;
- Provide a broad strategic and spatial development framework within which all private actors and organs of state in all three spheres of government operating in the province have to do their planning and investment/spending, so as to ensure the realisation of specified economic, social, environmental and spatial objectives, such as nature resource utilization and management, attracting investment, job creation, welfare provision, safety and security and human resource development; and
- Provide a clear indication, in the form of a long-term Infrastructure Investment Programme, as to how the provincial government seeks to maintain existing economic activities and unlock the latent potential in the province.

3.1.4 GAUTENG GROWTH AND DEVELOPMENT STRATEGY

The Gauteng Growth and Development Strategy GDS reflect six strategic objectives towards achieving its vision, namely;

The Lesedi Local Municipality recognizes the importance of all these areas and it will work to ensure that within each it will harmonize and align its efforts to ensure that commonly held objectives are met.

	GGDS Strategic Objectives	Efforts to ensure that commonly held objectives are met
1	Provision of social and economic infrastructure and service that will build sustainable communities and contribute to halving poverty	The LLM has constructed a multi-purpose facility consisting of the following: • ECD Site • Day care for elderly • Centre for Orphans and vulnerable children • Substance abuse treatment centre The municipality has also erected Aids Frail Care Centre facility to cater for HIV and Aids patients. Upgrading of sports facilities, roads, and electricity, water and sewer networks.
2	Accelerated, labour absorbing economic growth that increases per annum and that will create long term sustainable jobs and contribute to halving unemployment	The LLM has identified and proclaimed an Industrial / Commercial township to accommodate 43 industrial stands. The proposed township has the potential to draw industries into the area and is strategically situated next to the train station and other

	GGDS Strategic Objectives	Efforts to ensure that commonly held objectives are met
		existing industrial firms such as British American Tobacco, Eskort Bacon and Heidelberg Extension 6. In order to cope with the demand for development, the Council has commissioned a study to look at nodal and corridor development which will assist the Municipality to be ready for the Growth and Development path in the long term.
3	Sustainable socio-economic development	Basic principles proposed by council: Maximize BBEE throughout all municipal projects. Emphasis on local ownership with an added emphasis on local broad-based schemes and local employee ownership schemes. Local employment equity as an immediate cash flow impact on local communities and a focus on skills development in local communities Sub-contracting - preferential procurement and enterprise creation
4	Enhanced government efficiency and co-operative governance	Audit and Performance Committee in place Performance and Risk Management System (PRMS) Unqualified Audit Opinion from AG Our council meetings are scheduled to take place once a month and all council meetings are advertized. All wards have been established in line with the requirements of sector representatives Ward Committees are sitting monthly according to their year plan, and the minutes of the meetings are submitted to the Speaker's Office.

	GGDS Strategic Objectives	Efforts to ensure that commonly held objectives are met
		The following support is provided to the Ward Committees: Capacity building (training & workshops) Transport to attend meetings Admin support via our corporate service Venues are provided for meetings The Municipal Public Accounts Committee (MPAC) was established and is still been capacitated to function effectively. Anti-corruption policy Complain register
5	Deepened participatory democracy, provincial and national unity and citizenship	The LLM is committed to ensuring community participation in the interest of participative democracy. The commitment to participate is underpinned by adherence to the Municipal Systems Act, which requires municipalities to consult local communities through appropriate mechanisms, process and procedures as well as by the MFMA, which has further accentuated the role of informing the development of community participation. In addition to this legal framework, the municipality remains committed to bringing participatory democracy closer to citizens and communities and ensuring progressive improvements in the quality of participation and the number of citizens who participate through organized formations. The LLM is also piloting Community Based Planning (CBP) in ward 1,2 and 6 Working very closely with Community

	GGDS Strategic Objectives	Efforts to ensure that commonly held objectives are met
		Development Works (CDW's)
6	Contributing to the successful achievement of NEPAD's goal and objectives.	The first Priority Issue on the LLM's IDP is to eradicate high levels of poverty and unemployment especially in the historically disadvantaged and rural areas. There are specific projects that have been identified to achieve this objective

3.1.5 SEDIBENG GROWTH AND DEVELOPMENT STRATEGY: FIRST GENERATION

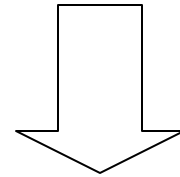
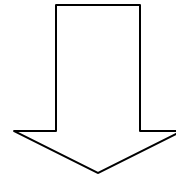
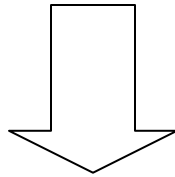
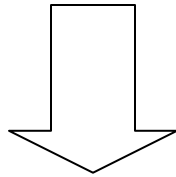
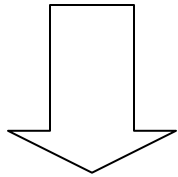
Sedibeng District Municipality together with its locals embarked on a process of developing a Growth and Development Strategy (GDS).

The GDS was developed along with the **IDP**, with the understanding that the two documents will be linked as one strategic plan. As a long term plan, the **GDS** makes provision for bigger overarching decisions about what should be prioritized to:

- **REINVENT** the economy from old to a new,
- **RENEW** our communities from low to high quality of life,
- **REVIVE** the environment from waste dumps to a green region,
- **REINTEGRATE** with Gauteng and our neighbours to move from an edge to a frontier region,
- **RELEASE** human potential from low to high skills.

The **IDP** defines the medium term path. It spells out where the municipality wants to be after five year, and how it wants to be.

SEDIBENG GROWTH & DEVELOPMENT STRATEGY



REINVENT The economy from old to a new	RENEW Our communities from low to high quality of life	REVIVE The environment from waste dumps to a green region	REINTEGRATE With Gauteng and our neighbours to move from an edge to a frontier region	RELEASE Human potential from low to high skills
Due to high potential agricultural land and a strong farming community provide opportunities for people to enter the market through access to land, linkages to formal economy Strategy Training/Education Key Deliverable	Change the Nature of Housing Delivery • Realign current policy with new trends. • Identify flagship projects to promote new policies Strategy: Ensure orderly development throughout the municipal area, in line with existing legislation	Partnerships to manage the Environment: • Coordinated and consulted EMF • Develop implementation plans with regional and local activities Clean air, Water & Land Initiative	Strategy • Promote Density and Infilling • Promote the Locality of Residential and Employment Opportunities in Close Proximity to Each Other • Establish a Hierarchy of Retail Centres, which include and Promote retail development in the disadvantaged areas • Ensure Participation of Private Sector and Non-Local Government	Local Partnership for Education & Training: • Establish broad base Education and training forum to include local government, Department of Labour and Department of Education Building Social Capital: • Focus supporting initiatives around the Gauteng Social

REINVENT The economy from old to a new	RENEW Our communities from low to high quality of life	REVIVE The environment from waste dumps to a green region	REINTEGRATE With Gauteng and our neighbours to move from an edge to a frontier region	RELEASE Human potential from low to high skills
Establish formal training centres to provide training thereby giving people the opportunity to start their own small business Tourism and Leisure: - Enhance tourism forums and work with relevance and agencies - Use 2010 service provider to develop medium term plan. - Link marketing plan with	and policies, and to actively stimulate development by means of forward planning initiatives Key Deliverables: - Geographic Information System [GIS] for Lesedi - Comprehensive land use survey has been undertaken in the whole of Lesedi – information to be GIS-linked - Spatial Development Framework for Lesedi to be drawn up - Township establishment: Heidelberg “Zone of Opportunity” and Heidelberg Showground	Strategy Sustainable management of our environment Protection of river ecosystems, water conservation, and protection of the ecological reserves Development of a refuse disposal site for Devon/Impumelelo Undertaking feasibility studies for a regional refuse disposal site for Lesedi and Midvaal Local Municipalities and for a mini-dumping site for Vischkuil	Service Providers - Ensure Economic Empowerment within the Disadvantaged Areas Key Deliverables - Create more complex urban environments with greater opportunity and choice in and around Ratanda and Impumelelo - Actively promote development of land uses which generate employment - Rectify the absence of retail centres in Ratanda and Impumelelo through the establishment of retail nodes - Act as a lobbyist for those communities, who require facilities such as bank ATM's and Electricity Card	Development Strategy - Improve Statistical Database on social profile of Sedibeng Promote BBEE - Align procurement procedures (District and Locals) to champion BBEE - Host BBEE summit to localize charters - Enhance database of SMME's. - Explore support to GEP to encourage cooperatives

REINVENT The economy from old to a new	RENEW Our communities from low to high quality of life	REVIVE The environment from waste dumps to a green region	REINTEGRATE With Gauteng and our neighbours to move from an edge to a frontier region	RELEASE Human potential from low to high skills
tourism plan Agriculture: • Consolidate task team with GDACE, DLA, Sedichem etc. • Do feasibility for emerging farmers • Analyse preferred agric activities • Explore bio-fuels Residential Property Development: • Revise SDF in line with GDS. • Revise LUM • Roll out master plan	Strategy: • Strive to provide all residents in Lesedi with security of tenure and a range of affordable permanent shelter options within a healthy, safe, balanced and integrated environment, and will strive to maintain and upgrade the existing housing environment • Facilitation of Land Reform Projects Key Deliverables • Identify possible projects and assist landowners and beneficiary communities with funding applications,		Dispersers Ensure economic empowerment and upliftment within the disadvantaged areas through LED strategies and projects	

REINVENT The economy from old to a new	RENEW Our communities from low to high quality of life	REVIVE The environment from waste dumps to a green region	REINTEGRATE With Gauteng and our neighbours to move from an edge to a frontier region	RELEASE Human potential from low to high skills
for infrastructure. • Implement inclusionary Housing Policy	as well as with the implementation of approved projects ○ Tokolohong Agri-Village Phase 2 ○ Kwa-Zenzele Agri-Village ○ Jameson Park Commonage • Finalization of transfer of existing State-owned houses in Ratanda • Completion of top structures in Ratanda x 1, 3,5,6,7 and 8			

3.2 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

This key performance area addresses strategies and objectives for priority issues 2, 3, 4, 5, and 6

OBJECTIVES AND STRATEGIES FOR PRIORITY ISSUES

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
The Lesedi Local Municipality will strive to provide infrastructural services to all urbanized communities in its area in order to create conditions, which are conducive to economic development and growth.	In view of the current backlogs, the bulk of infrastructure expenditure will go towards Ratanda, Impumelelo, Kwazenzele and Jameson Park.	A total of 136 infrastructural projects have been identified throughout Lesedi, in the following categories: Electricity Water Sewer roads	2011
The Lesedi Local Municipality will endeavor to render equitable, accessible and properly administered social, community and environmental services of acceptable standard to the Lesedi community.	The Provision of Services/Facilities must result in Social Upliftment Integration of Service Delivery, both Internally and Externally, to maximize Impact and minimize Duplication Provide those services/facilities that affect the largest number of people with the lowest use of resources Encourage integrated administration and joint ownership of	The following projects were identified: Support Aids Frail Care Centre in Jameson Park Development of multi-purpose Centre in Ratanda	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
	facilities Promote the concept of Multi-Purpose Community Centers, Cluster Services/Facilities, etc.		
Lesedi local municipality will create and ensure a safe and secure environment for all the inhabitants of and visitors to Lesedi, where everybody can live in peace and harmony, achieving this through commitment and participation in conjunction with all the role players, including civil society and all the relevant government departments.	Implementation off crime prevention strategy	Installation of CCTV Cameras	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
Lesedi Local Municipality will, in accordance with the policies established by the different spheres of Government, strive to provide all residents in Lesedi with security of tenure and a range of affordable permanent shelter options within a healthy, safe, balanced and integrated environment, and will strive to maintain and upgrade the existing housing environment.	Pro-active provision of subsidy-linked housing units, and the control of existing and prevention of further land invasions and informal settlement.	Obed Nkosi mixed income housing scheme Impumelelo ext. 2 & 3 Kwazenzele phase 1 & 2 Ratanda hostels upgrading Kaydale Housing Development.	2011
Lesedi Local Municipality will strive to make meaningful strides towards resolving the land issue in its rural areas by informing stakeholders of the Government's land reform programme, by facilitating better understanding and co-operation between landowners and tenants, and by actively facilitating funding for and implementation of	it is incumbent on the local authority to assist Government in the land reform process. It is envisaged that this assistance should entail the following actions: • Information Dissemination • Promotion of Co-operation and Trust between Land Owners and Landless Communities	Jameson Park Commonage Langzekoegat land reform initiatives.	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
land reform projects.	Facilitation of Land Reform Projects		

3.3 LOCAL ECONOMIC DEVELOPMENT

This key performance area addresses strategies and objectives for priority issue 1

OBJECTIVES AND STRATEGIES FOR PRIORITY ISSUES

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
The LLM, including the local business community in collaboration with the region, will strive to establish an economic growth rate in an economically stable environment, at least equal to the national growth rate, thereby creating job opportunities and uplifting the disadvantaged community, resulting in the improvement of quality of life of all it's residents	Strategy1: marketing Ensure that Marketing is utilized to channel business development in terms of the Spatial Development Framework and that through marketing, the necessary positive environment for economic growth is created.	General marketing programme Development of promotional material and corporate gifts Attend or organize exhibitions for an exchange of information and networking. Quarterly Newsletter	2011
Promote and develop the tourism and leisure sectors	The establishment of local tourism association would be a vehicle used to organize and equip local	Organize tourism association Identifying and	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
	communities, including those in defined poverty areas, to service the tourism industry and generate benefits for themselves. The benefits of creating an association or partnership are many and varied, including assistance with strengthening rural regeneration, caring for the countryside and preserving physical and cultural heritage.	compiling a comprehensive list of tourists on offer in the area Conduct an audit of available accommodation and assist providers with grading of their facilities where possible. Develop new tourism routes aligned with Heritage Sites	
	Strategy 2: Job Creation Plan Ensure that formal and informal business activities in Greater Lesedi is encouraged	Valprè Water Plant. Transnet Terminal.	2011
	Strategy 3: Focus on Specific Sectors of the Local Economy <i>Agriculture</i> Due to the fact that the Lesedi Municipal area is mainly a rural area, with high potential agricultural land and a strong farming community, the focus in a number of projects should be on agriculture. Every effort should be made to provide opportunities for people to enter the market through access to land, linkages to formal economy, spin off's, training, etc.	Commonage projects. Hlwanyela Nursery/ Poultry farming project.	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
	Strategy 4: Tourism Lesedi has the best potential for tourism of all the areas of Gauteng due to its natural beauty and cultural/historical background.	<u>Projects</u> Compile a tourism strategy for implementation	2011
The LLM will endeavor to ensure orderly development throughout the municipal area, in line with existing legislation and policies, and to actively stimulate development by means of forward planning initiatives, inputs into the Lesedi marketing campaign, effective information dissemination and speedy processing of development applications.	Cadastral database for Lesedi must be updated. Comprehensive land use survey has been undertaken in the whole of Lesedi – information to be GIS-linked. Spatial Development Framework for Lesedi to be drawn up [done as part of the IDP] GIS – based land use scheme for Lesedi has been drawn up, to replace the various town planning schemes and other land use control mechanisms that were in place in the area. One-stop information centre to be established once the abovementioned are in place. Other projects, which have been identified, include: Annual IDP revision. Township establishment: Heidelberg “Zone of Opportunity” and Heidelberg Showground's. A number of local development plans and investigations.	Refinement of Spatial Development Framework. Rensburg X2 Geotech study.	2011

3.4 FINANCIAL VIABILITY

This key performance area addresses strategies and objectives for priority issue 7

OBJECTIVES AND STRATEGIES FOR PRIORITY ISSUES

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
Lesedi Local Municipality will strive to substantially increase its income from internal and external sources, while simultaneously curbing unnecessary operational expenses, thereby ensuring growth in the capital budget available for development.	In order to achieve the abovementioned objective, the following strategies will be followed: Credit Control and Debt Collection Minimizing Water and Electricity Losses Pro-Active Lobbying of Grant Funding		

3.5 FINANCIAL STRATEGY

BACKGROUND

The core strategies of Lesedi Local Municipality are as follows:

- To improve and provide services that are cost effective, efficient, readily available, sustainable and affordable to the community in such a manner that is key function thereof.
- To empower the human resource component of Council to the extent that productivity will be a continuous benchmark to improve upon and monitored to ensure efficiency.
- To determine and analyze community needs through the various mechanisms in order to ensure client/community satisfaction.

- To facilitate growth and development of the area of jurisdiction in order to improve the quality of life for all inhabitants of the municipality.
- Commitment to excellence.
- Good Governance.
- To create financial viability.

In terms Section 152 of the Constitution of the Republic of South Africa (act of 1996), subsection 2 – A, municipalities must strive, within its financial and administrative capacity, to achieve the following objectives of local government:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities in the matters of local government.

The Municipal Systems Act, 2000 further stipulates that municipalities must formulate Integrated Development Plans [IDP's]. Such Integrated Development Plans must:

- Be a single, inclusive and strategic plan for development for the municipality;
- Link, integrate and co-ordinate plans and proposals for development of the municipality;
- Align resources and capacity;
- Form policy framework for annual budgets;
- Be compatible with other spheres development plans.

Based on the political, administrative and legal environment created by the national legislative framework for local government, Lesedi Local Municipality has better positioned itself by designing financial strategies that are compatible to current legislation. These strategies are outlined below.

3.5.1 REVENUE RAISING STRATEGY

The intention of National Government to decrease the number of municipalities and the introduction of new municipal boundaries was to ensure a sustainable, responsible, efficient and effective local government system.

Section 96[b] of the Local Government Municipal Systems Act, Act No. 32 of 2000, provides that a Council must adopt, maintain and implement a credit control and debt collection policy, which is consistent with its rates and tariff policies and complies with the provisions of that Act.

Lesedi Local Municipality has adopted a Credit Control and Debt Collection policy that is aimed specifically at raising the revenue base of Council. The main objectives of this policy are to:

- Ensure that all monies due and payable to Council are collected.
- Provide for credit control procedures and mechanisms as well as debt collection procedures and mechanisms.
- Provide for indigents in a way that is consistent with rates and tariff policies and any national policy on indigents.
- Set realistic targets consistent with generally recognized accounting practices and collection ratios and the estimates of income set in the budget less an acceptable provision for bad debts.
- Provide for interest on arrears, where appropriate.
- Provide for extensions of time for payment of accounts.
- Provide for termination of services or the restriction of the provision of services when payments are in arrears.
- Provide for matters relating to unauthorized consumption of services, theft and damages.

3.5.1.2 ASSET MANAGEMENT STRATEGY

The Generally Accepted Municipal Accounting Principles [GAMAP] requirement indicates that it will no longer be good enough merely to have an entry in the financial statement reflecting the value of assets. The requirement is for an asset register substantiating the financial entry.

Combined Systems Solutions has been appointed to work on the Council's register for compliance to GRAP / GAMAP's requirement of assets reflecting purchase price, accumulated depreciation, depreciation as well as the book value.

Section 35[g] of the Local Government: Municipal Finance Management Bill, 2000 defines one of the responsibilities of the Municipal Manager as being responsible for the management of:

- The assets of the municipality, including the safeguarding and the maintenance of those assets; and
- The liabilities of the municipality.

Council has already ratified and adopted a Fixed Asset management Policy. Such a policy mainly incorporates and defines the following concepts:

- Definition of a fixed asset.
- Role of the Municipal Manager and the Chief Financial Officer.
- Format and classification of the fixed asset register.
- Recognition of heritage and donated assets.
- Identification and safekeeping of fixed assets.
- Procedure for loss, theft, destruction, or impairment of fixed assets.
- Capital criteria: Material value, Intangible items: Reinstatement and maintenance expenses.
- Maintenance Plans, Deferred maintenance, General maintenance.
- Depreciation: Rate, Method, Alternative methods.
- Amendment of asset lives.

- Creation of Non-Distributable Reserves.
- Carrying values and Revaluation of fixed assets.
- Verification, Alienation and Write offs of fixed assets.
- Insurance of fixed assets and Replacement norms.

3.5.1.3 FINANCIAL MANAGEMENT STRATEGY

Section 2 of the Local Government: Municipal Finance Management Act, (Act No.56 of 2003) authorizes the National Treasury to prescribe uniform treasury norms and standards for:

- Municipalities, including financial management in municipalities; and
- Municipal entities, including financial management in municipal entities.

The Draft Financial By-Law has been compiled and due for comments before it can be ratified and adopted by Council. This document focuses on the responsibilities of the Municipal Manager, Chief Financial Officer and Heads of Departments and Council officials with regard to financial management. It also regulates the conduct of all Council officials as far as financial practice is concerned. The Financial By-Law entails the following:

- Budgets
- Reports Affecting Finances.
- Income.
- Expenditure.
- Recovery of Losses.
- Credit Rating.
- Procurement, Tender and Contracts.
- Good and Materials.
- Payments.

- Salaries, Wages and Allowances.
- Loans.
- Investments.
- Insurance.
- Accounting.
- Audit Committee.
- Intern Audit.
- Assets.
- Alienation of immovable property (land).
- Information Systems.

3.5.1.4 OPERATIONAL AND CAPITAL FINANCING STRATEGY

- OPERATIONAL FINANCING STRATEGY

The operational financing is mainly derived from services such as:

- * Electricity;
- * Water;
- * Sewerage;
- * Cleansing,
- * Property Rates; and
- * Other income [e.g. Fire Service, cemeteries, traffic, etc.].

Council should explore other avenues of operational financing such establishing municipal entities or entering into partnerships with other stakeholders in local government.

- CAPITAL FINANCING STRATEGY

Section 45 subsection 1[b] of the Local Government, Municipal Finance Management Act, (Act No 56 of 2003) stipulates that a municipality may incur short term debt only when necessary to bridge capital needs within a financial year in anticipation of funds deriving from specific and enforceable allocations or long term debt commitments.

Section 46 subsection 1[a] of the Local Government, Municipal Finance Management Act,(Act No.56 of 2003) provides for a municipality to incur long term debt only for purpose of capital expenditure on property, plant and equipment to be used for the purpose of achieving the objects of local government as set out in section 152 of the Constitution.

In order to implement budgeted capital projects, Lesedi Local Municipality mainly source financing from:

Grants [eg. NER, CMIP, Sedibeng District Municipality, Provincial Government, National Government and other sources].

* Asset Financing Fund [Internal loans] and [Cash-based].

* External Financing Fund [external loans].

3.5.1.7 COST-EFFECTIVENESS

As in the case of the private sector, municipalities need to analyze all their activities and shed those that are not essential. These activities should be carried out in a most cost-effective manner. Essential services should further be analyzed into those that are core to be municipality and those that are non-core.

Non-core functions usually outsourced to service providers include:

- Accounting, finance and treasury.
- Human resource and payroll.
- Real estate and fixed assets.
- Internal auditing.
- Purchases and procurements.

Lesedi local Municipality is currently outsourcing the Internal Audit function and meter readings. In terms of Section 44 of the Local Government, Municipal Systems Act, Act No. 32 of 2000 a municipality, in a manner determined by its council, must make known, internally and to the public, the key performance indicators and performance targets set by it for purposes of its performance management system.

The cost-effectiveness of Council will mainly be measured by implementing realistic Performance Management Systems [PMS] on each Project Milestone. This will materialize by adhering to the following guideline:

- Setting appropriate targets and Key Performance Indicators [KPI's].
- Setting measurable outcomes and impacts.
- Annual performance monitoring.

- Formulation of remedial actions.
- Regular internal and external reporting.
- The PMS must serve as an early warning system for under-performance.

3.6 INSTITUTIONAL TRANSFORMATION

This key performance area addresses strategies and objectives for priority issue 8

OBJECTIVES AND STRATEGIES FOR PRIORITY ISSUES

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
Policy-making and executive structures within Lesedi Local Municipality should operate cohesively and have well defined and non-duplicating structures which must be based on: Effectiveness and efficiency Customer orientated public accountability Co-operative governance Timeous and continuous community consensus-seeking via target focused structures Capacity building	Promote Batho Pele Principle.	Training and workshops for all staff members. Induction meetings for newly appointed staff members.	2011

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
of all stakeholders/role players.			

3.7 DEMOCRACY AND GOOD GOVERNANCE

This key performance area addresses strategies and objectives for the overall management of the Municipality and ensure

OBJECTIVES AND STRATEGIES FOR PRIORITY ISSUES

OBJECTIVES	STRATEGIES	PROJECTS	TARGET
To ensure maximum participation of the community in the own development through organized structures	Set up structures for effective public participation.	Community Based Planning. Identification of Key stakeholders in the community to improve public participation.	2011

3.8 SUMMARY LIST FOR REVISED IDENTIFIED PROJECTS

The list hereunder gives an overview of all identified projects, as revised and indicates the budgetary requirements for these projects for 2010/2011.